

Study cites lack of affordable housing in area

JOHN RAMSEY, Richmond Times-Dispatch

After Venita Walker pays the rent and utilities on her modest, three-bedroom brick house in South Richmond, she barely has enough money to make it through the month.

Walker, a teacher's aide who also works three days a week for AmeriCorps, spends almost half her income on the roughly \$1,150 a month it costs to stay in the house and keep the lights and water on. So she pinches pennies any way she can, noting on the calendars she uses to track her finances when she can give blood in exchange for a free oil change or swing by a food pantry for help making it to her next paycheck.

"Constantly it's a balancing act to be able to afford, and hoping that no crisis arises," Walker said.

Walker is among the roughly one in three households across the region paying more than 30 percent of their income on housing, caused by a severe shortage of affordable places to live, according to a recent study. The problem has direct ties to Richmond's legacy of racial segregation and has resulted in less diverse neighborhoods than ever before. And it's leading to calls for regional solutions.

The shortage is split almost evenly among renters and homeowners, and it's not confined to the city or suburbs. Across the metro region stretching from Powhatan County to New Kent County and Chesterfield County to Hanover County, at least a quarter of all families in each locality have housing that exceeds their budgets.

An estimated \$862 million a year could be freed up to flow through other parts of the region's economy if the price of housing was more in line with incomes, according to the study by Virginia Tech and Virginia Commonwealth University researchers on behalf of The Partnership for Housing Affordability.

Experts say the shortage of affordable housing is only part of the problem. The location of places that poor and middle-income working-class families can afford aren't spread evenly around the region or close to the businesses where they work.

That's one of the main reasons the Richmond region is more segregated today — racially and economically — than at any point in the past two centuries, said

John Moeser, a professor at the University of Richmond who studies local poverty trends.

One example of the trend can be seen in the region's school systems, where half of schools reported this year that at least 50 percent of their students qualify for free or reduced lunch. A decade ago, only 35 percent of schools fit that description.

And with housing prices rising faster than wages, the complex problem will only get worse without a concerted effort to reverse it.

Laura Lafayette, CEO of the Richmond Association of Realtors, said she hopes the recent study will serve as a call to action for government leaders, nonprofits and private businesses.

"I think the challenge in this work is to make folks understand that their self-interests are inexorably tied to the self-interest of their neighborhoods," Lafayette said.

"The point we're trying to make is economically integrated communities are healthier communities for a lot of reasons. They make for greater opportunities to have people live in perhaps closer proximity to their work," she said.

"They definitely create more integrated and more diverse school systems. I think they make us more economically competitive as a region. What we can say to employers looking to relocate in Richmond is if you bring your business here, your employees are going to have a wide variety of options of where they rent, where they own, and you're not just going to have to show them a few areas of the region."

Richmond's challenge of today is in many ways a self-inflicted wound, stretching back to the city's checkered housing history. A long record of past government policies and tactics by bankers and real estate agents effectively kept neighborhoods racially segregated.

After the Fair Housing Act of 1968 passed, Moeser said, middle-class black families began moving to the suburbs just like whites had done previously, leaving behind communities that began to deteriorate.

Many of the areas where affordable housing exists today are in those neighborhoods or in the first tier of suburbs near the city limits, Moeser said.

A study by HOME found that the longest commute times in the region are for people living in Richmond's Church Hill neighborhood. Affordable housing has remained in the same place, while job opportunities for lower-skilled workers in areas such as retail have shifted to the counties.

The Amazon distribution plant in Chesterfield, for instance, provides thousands of jobs with decent wages. But the new homes going up near Amazon are too pricey for Amazon's workforce, costing in the \$200,000 range. And the region's bus routes, which with a few exceptions end at the city limits, can't get residents who can't afford a car to and from work.

Lafayette said much of the reason for the high percentage of people who pay such a sizable chunk of their income for housing is because that's the only way they can be close to work or schools with the best reputations.

The shortage of low-income housing is compounded by a shortage in the middle-class price range. In many cases that results in middle-income families occupying homes that are among the only ones poorer residents could afford.

The housing report recommends incentives for builders to include low-income units as part of their developments and persuading governments to find a dedicated source for an affordable-housing trust fund. Richmond's government is the only one in the region that has such a trust fund, and, while the \$1 million it put there last year is helpful, it only goes so far.

Cost will be among the largest barriers to solving the problem, which also include changing perceptions about having affordable housing near wealthier neighborhoods and garnering regional support in an area where local governments don't have a reputation for cooperation.

Lafayette said it's important to realize that no one sector — public, private or nonprofit — will be able to solve the housing crisis alone. And the process will look more like a marathon than a 100-meter dash, she said.

And although the magnitude of the challenge will continue to grow — the region will need more than 100,000 new affordable homes or apartment units to

meet housing demands for the expected growth over the next two decades — there are agencies and government officials trying to address it.

Lafayette, Moeser and Chesterfield School Board Chairwoman Carrie Coyner hosted a forum in January to bring attention to the issue of increased poverty in that county. More than 200 people attended.

Chesterfield leaders are focusing their limited revitalization funds on neighborhoods near the schools that will be renovated as part of a \$304 million bond package.

Richmond, Henrico and Chesterfield governments each paid \$250,000 to support a program to help add rooms in South Richmond that can house the homeless.

And Richmond Mayor Dwight C. Jones is trying to replace thousands of public-housing units in the East End with a new mixed-use community that would include businesses and a combination of market-rate and subsidized housing.

But it's not fast work. The idea has been discussed publicly for more than two years, and the hundreds of millions of dollars in necessary investment have yet to be identified.

The city finally has acquired its starting point — the old Armstrong High School property, vacant for more than a decade — but the project will take years

And Walker, the teacher's aide, is about four months away from moving to a house where her bills will be slashed by about half, thanks to Habitat for Humanity. Maybe then, Walker said, she'll be able to turn her cable TV service back on or eat out at a restaurant every now and then. And she won't be under the constant, stifling pressure of living paycheck to paycheck.